



DISASTER NEWS

Economic Injury Loans for Small Businesses

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SBA DISASTER LOANS AVAILABLE FOLLOWING SECRETARY OF AGRICULTURE DISASTER DESIGNATION

Poughkeepsie, NY – The U.S. Small Business Administration announced today that federal disaster loans are available to small, non-farm, agriculture-dependent businesses located in various counties in New York, Connecticut and Massachusetts.

“SBA’s disaster declaration was issued as a result of a similar action taken by the Secretary of Agriculture to help farmers in these states recover from losses caused by excessive rain and flooding that occurred September 1, 2003 and continuing,” said SBA Disaster Area Director William E. Leggiero, Jr.

Under this declaration, SBA’s Economic Injury Disaster Loan (EIDL) program is **available to small agriculture-dependent businesses and small agricultural cooperatives** that suffered economic injury as a direct result of the severe weather’s effect on agricultural producers. For example, a business that sells goods/services to agricultural producers may be unable to pay bills and/or meet expenses because of the reduced purchasing power of the farmers and ranchers.

“SBA is committed to helping small businesses overcome economic injuries and we offer the financial resources to accomplish this,” Leggiero added.

Eligible small businesses may qualify for loans up to \$1.5 million. These loans are available at a 3.1 percent interest rate with loan terms up to thirty years. SBA determines eligibility for the program based on the size and type of business and its financial resources.

Under this disaster declaration, SBA does not provide loans to agricultural producers, and cannot provide loans to non-agricultural dependent businesses. However, small businesses may contact their local SBA District office for information and other possible assistance. Farmers and ranchers should contact the Farm Services Agency, for information regarding additional loan programs.

The declaration designates Dutchess County in the State of New York as the primary disaster area. The contiguous counties of Columbia, Orange, Putnam and Ulster in the State of New York; Fairfield and Litchfield in the State of Connecticut; and Berkshire in the Commonwealth of Massachusetts are also eligible to apply.

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For more information and to obtain a loan application interested business owners should contact the SBA Disaster Area 1 Office at **1-800-659-2955 or 1-800-877-8339** for the hearing-impaired. Loan applications must be returned to SBA no later than January 3, 2005.

For more information visit SBA's website at www.sba.gov/disaster

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SBA Disaster Assistance Office/Area 1 - 360 Rainbow Blvd., South - Niagara Falls, NY 14303